

# HOUSE BILL No. 1195

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## DIGEST OF INTRODUCED BILL

**Citations Affected:** IC 32-33-16.

**Synopsis:** Manufacturer's liens on molds and forms. Allows the maker of a die, mold, form, jig, or pattern to have a lien for the amount due the maker from the customer.

**Effective:** July 1, 2003.

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January 8, 2003, read first time and referred to Committee on Commerce and Economic Development.

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First Regular Session 113th General Assembly (2003)

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2002 Regular or Special Session of the General Assembly.

## HOUSE BILL No. 1195

A BILL FOR AN ACT to amend the Indiana Code concerning property.

*Be it enacted by the General Assembly of the State of Indiana:*

1       SECTION 1. IC 32-33-16-1, AS ADDED BY P.L.2-2002,  
2       SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
3       JULY 1, 2003]: Sec. 1. As used in this chapter, "customer" means any  
4       individual or entity who contracts with or causes a fabricator to:

5               (1) use a die, mold, form, jig, or pattern to manufacture, assemble,  
6               or otherwise make a product; **or**

7               (2) **manufacture, cause to be manufactured, assemble, or**  
8               **improve a die, mold, form, jig, or pattern.**

9       SECTION 2. IC 32-33-16-3, AS ADDED BY P.L.2-2002,  
10       SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE  
11       JULY 1, 2003]: Sec. 3. (a) A fabricator has a lien:

12               (1) dependent on possession, on any die, mold, form, jig, or  
13               pattern in the fabricator's possession belonging to the customer for  
14               the amount due the fabricator from the customer for fabrication  
15               work performed with the die, mold, form, jig, or pattern; **or**

16               (2) **for the amount due the fabricator from the customer for**  
17               **the manufacture, assembly, or improvement of a die, mold,**



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**form, jig, or pattern.**

(b) A fabricator **who has a lien under subsection (a)(1)** may retain possession of the die, mold, form, jig, or pattern until the amount due is paid.

SECTION 3. IC 32-33-16-5, AS ADDED BY P.L.2-2002, SECTION 18, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5. If the lienholder **of a lien described in section 3(a)(1) of this chapter** has not been paid the amount due within sixty (60) days after the notice provided for in section 4 of this chapter, the lienholder may sell the die, mold, form, jig, or pattern at auction if:

(1) the die, mold, form, jig, or pattern is still in the lienholder's possession; and

(2) the lienholder complies with section 6 of this chapter.

SECTION 4. IC 32-33-16-5.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2003]: Sec. 5.5. (a) **If the lienholder of a lien described in section 3(a)(2) of this chapter has not been paid the amount due for at least sixty (60) days after the date the notice was provided under section 4 of this chapter, the lienholder may repossess the die, mold, form, jig, or pattern by agreement with the customer or by a court order issued under subsection (b).**

(b) **A lienholder who seeks repossession by court order must file a petition with a court of competent jurisdiction. The court shall:**

(1) set a date for a hearing not more than thirty (30) days after receiving the petition; and

(2) notify the customer of the hearing date.

**The court shall enter an order directing the customer to deliver the die, mold, form, jig, or pattern to the lienholder if the court finds by a preponderance of the evidence that the customer failed to make a payment for at least sixty (60) days after the date notice was provided under section 4 of this chapter.**

(c) **A lienholder who repossesses a die, mold, form, jig, or pattern under this section must comply with section 6 of this chapter before the lienholder sells the die, mold, form, jig, or pattern.**

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